

**DEPARTMENT OF ENVIRONMENTAL QUALITY
STATE OF WYOMING**

NOTICE OF VIOLATION

IN THE MATTER OF THE NOTICE OF)	
VIOLATION ISSUED TO)	
MELODY RANCH INVESTMENTS III, LLC)	DOCKET NO. 4409-08
P.O. BOX 4158)	
JACKSON, WY 83001)	
RE: SMALL MINING PERMIT NO. 690(S))	

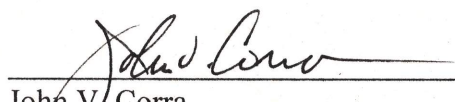
NOTICE

NOTICE IS HEREBY GIVEN THAT:

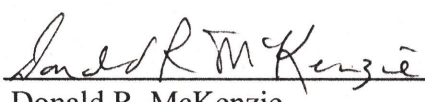
1. This Notice of Violation is being sent to you pursuant to Wyoming Statute §35-11-701(c)(i) which requires that a written notice shall be issued in the case of failure to correct or remedy an alleged violation.
2. The last Annual Report submitted by Melody Ranch Investments III, LLC to the Wyoming Land Quality Division was received July 11, 2006. The report described 2005 mining activities. Annual Reports for mining activity in 2006, 2007, and 2008 have not been submitted. Permit 690(s) was issued November 7, 2001. The Annual Report is due on or within 30 days prior to the anniversary date of the issuance of the permit.
3. Failure to file an Annual Report is a violation of Wyoming Statute §35-11-411.
4. These violations have not been corrected or remedied nor has the operator provided any information to the Land Quality Division concerning the violations.
5. Wyoming Statute §35-11-901(a) provides that any person who violates any provision of the Environmental Quality Act or any rule, standard, permit, license or variance adopted hereunder is liable to a penalty of ten thousand dollars (\$10,000.00) for each day of violation, which penalty may be recovered in a civil action brought by the Attorney General in the name of the People of the State of Wyoming.

NOTHING IN THE NOTICE shall be interpreted to in any way limit or contravene any other remedy available under the Environmental Quality Act, nor shall this NOV be interpreted as being a condition precedent to any other enforcement action.

SIGNED this 24th day of December, 2008



John V. Corra
Director
Department of Environmental Quality



Donald R. McKenzie
Administrator
Land Quality Division

Please direct all inquiries regarding this Notice of Violation to Mr. Mark Moxley, Land Quality Division District II Supervisor, 510 Meadowview Dr., Lander, WY, 82520, telephone 307-332-3047.